



# DEPARTMENT OF PUBLIC SOCIAL SERVICES

## WELFARE FRAUD PREVENTION & INVESTIGATIONS SECTION

Number:  
04-05

Date:  
05/11/2004

### ADMINISTRATIVE MEMORANDUM

**SUBJECT:** INITIATING A DEMAND FOR REPAYMENT - FOOD STAMP OVERISSUANCE

**REFERENCE:** WFP&I Administrative Memorandum 03-19, 9/2/2003

**CANCELS:** **FILE IN:** WFP&I Handbook, Section 22-102

**SPECIAL ATTENTION:** WFP&I Staff

#### I PURPOSE

This Administrative Memorandum releases interim instructions to the Welfare Fraud Investigator (WFI) for initiating a demand for repayment of a Food Stamp (F/S) overissuance resulting from the participant's intentional violation of Food Stamp regulations.

#### II POLICY

Prior to May 2003, Food Stamp Fiscal Services initiated the demand for repayment. The WFI will assume responsibility for initiating the demand letter pending LEADER programming of this function or release of alternate procedures for performing this function.

The Welfare Computation Clerk (WCC) shall compute a Food Stamp overissuance for only those periods where usage can be verified.

#### III PROCEDURES

##### A. Welfare Fraud Investigator - WFI

The WFI shall request computation of the Food Stamp overissuance per existing procedures as follows:

1. Print the **LEADER, Benefit Issuance, Issuance Summary** screen for each month of the overissuance period.
  - a. Usage information for Food Stamp benefits issued prior to LEADER implementation is available from the Deputy or designate.
  - b. Usage verification for Food Stamp benefits issued on LEADER are shown on the **Issuance Summary** screen.
  - c. Food Stamp benefits issued prior to Electronic Benefit Transfer (EBT) will show as "Picked Up" if the participant obtained the Food Stamp coupons at the Food Stamp Outlet (Attachment I).

### III PROCEDURES - Continued

#### A. Welfare Fraud Investigator - WFI Continued

- d. The WFI shall not request computation of an overissuance for Food Stamp benefits which are not shown as "Picked Up".
- e. Food Stamp benefits issued through EBT will show the date the benefits were "Transferred" to the participant's EBT account (Attachment II).
- 2. Complete the WFP&I 88, Request for Computation. Attach supporting documentation needed to compute the F/S overissuance, including the appropriate LEADER screens and usage information (Computation Packet).
- 3. Forward the Computation Packet to the Supervising Welfare Fraud Investigator (SWFI) for approval.
- 4. Following receipt of the completed F/S overissuance computation, the WFI shall initiate a PA 654, Demand For Repayment, in English, Spanish or the appropriate threshold language as follows:

(Note: PA 654s in the threshold languages are available from WFP&I's Program Unit or the stockroom.)

- a. Enter the participant's most recent case record address.
  - 1) If it has been determined that the participant is not living at this address, send a PA 654, Demand for Repayment, to the participant's actual address, in addition to the PA 654 sent to the case record address.
- b. Complete the Date, Case Name, Case Number and WFI file number.
- c. Complete the first sentence on the PA 654 to include the amount of the F/S overissuance.
- d. Complete the second sentence to include the overissuance period.
- e. Complete the narrative stating the reason for the program violation. (Example: You failed to report your income from employment at the ABC Company.)
- f. Schedule an appointment, a minimum of ten (10) working days in the future, to discuss repayment with the participant. Establish a control on the **LEADER, Future Action Control, Reminder Request** screen or an alternate control method.
- g. Enter the date and time of the appointment on the PA 654, Demand for Repayment.

### III PROCEDURES - Continued

#### A. Welfare Fraud Investigator - WFI Continued

- h. Enter the following EAS Food Stamp Manual Sections immediately under the existing EAS CalWORKs Manual Sections: 63-801, 63-504, 63-505 (Attachment III, Demand for Repayment)
- i. Complete your name and telephone number

Please direct questions regarding this memo to your immediate supervisor.



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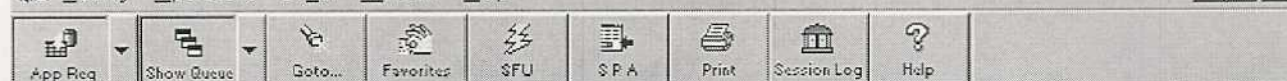
Luther Evans, Director  
Welfare Fraud Prevention & Investigations Section

LE:MH:mh

Attachments

c: Deputy Directors  
Chief Clerk





## Issue Search

Case #: Program: Benefit #: Warrant #: Issuance Type: 

Date Range

Start: 04/2003

End: 09/2003

☒ Accrual☐ AuthorizationPayment Type: Issuance Status: 

Search

Reset

Month	Program	Issuance Type	Payment Type	Issuance Status	Status Date	*
Auth. Date	Warrant #	Benefit #	Invoice #	Issuance Amount	Replaced	Iss. Method
09/2003	CalWORKs	Warrant	Regular	Paid		09/10/2003 *
08/23/2003	0005297288	309001		954.00		Regular Pickup
09/2003	Food Stamps	Food Stamps	Regular	Picked Up		09/09/2003
08/23/2003		309001		537.00		Regular Pickup
08/2003	CalWORKs	Warrant	Supp-Current	Paid		09/10/2003 *
08/21/2003	0005297288	308002		34.00		Regular Pickup

Payee Name: Account #: Case #: 

FAIR Excep

Warrant Details...

Issuance Details...

Affidavit...

Change Status...

P0007360 04/23/2004 05:23 pm

LEADER - [Issuance Summary]

Activity

Operations

Driver

Window

Help

App Reg

Show Queue

Goto...

Favorites

SFU

S P A

Print

Session Log

Help

Issue Search

Case #:

Program:

Benefit #:

Warrant #:

Issuance Type:

Date Range

Start: 04/2004

End: 04/2004

☒ Accrual
 ☐ Authorization

Payment Type:

Issuance Status:

Search

Reset

Month	Program	Issuance Type	Payment Type	Issuance Status	Status Date	*
Auth. Date	Warrant #	Benefit #	Invoice #	Issuance Amount	Replaced	Iss. Method
04/2004	CalWORKs	Warrant	Regular	Transferred		03/26/2004
03/26/2004		404001		954.00		Regular EBT
04/2004	Food Stamps	Food Stamps	Regular	Transferred		03/26/2004
03/26/2004		404001		550.00		Regular EBT

Payee Name:

Account #

Case #:

FAIR Excep

Warrant Details...

Issuance Details...

Affidavit...

Change Status...

P0007360

04/23/2004

05:22 pm

ATTACHMENT I





# COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

WELFARE FRAUD PREVENTION & INVESTIGATIONS SECTION

12000 Hawthorne Blvd.

Hawthorne, CA 90250

## DEMAND FOR REPAYMENT

JANE DOE

123 SOUTH STREET

ANYWHERE, CA 90000

Date: APRIL 26, 2004

Case Name: DOE, JANE

Case Number: B00123F

File Number: H023

This is a demand that you repay the Department of Public Social Services \$ \$2,500.00. We conducted an investigation and determined that you were overpaid this amount in public assistance funds from JULY 1, 2002 through DECEMBER 31, 2003 because: YOU FAILED TO REPORT YOUR INCOME FROM EMPLOYMENT AT THE ABC COMPANY.

A copy of the overpayment record showing the month by month breakdown of the overpayment is attached.

This Department has the right to demand repayment. Therefore, the above amount is IMMEDIATELY DUE AND PAYABLE. If you fail to repay the full amount, further action to collect will be taken.

We scheduled the following appointment for you to make FULL repayment. If you cannot make full repayment, we will accept partial payment and permit you to sign a repayment plan for the balance. BRING A CERTIFIED CHECK OR MONEY ORDER WITH YOU PAYABLE TO "COUNTY OF LOS ANGELES."

DATE: MAY 15, 2004

TIME: 2:00pm

PLACE: 12000 Hawthorne Blvd.  
Hawthorne, CA 90250

## BRING PHOTO IDENTIFICATION TO THE ABOVE APPOINTMENT

Contact me at the telephone number below if you have questions about the appointment.

This matter may be presented to the District Attorney for criminal prosecution in accordance with State laws.

EAS Manual Section:

44-350, 44-352, 44-316, 40-105.1

63-801, 63-504, 63-505

You may review them at your district office.

WELFARE FRAUD INVESTIGATOR

TELEPHONE ( )

**WARNING:** If you think this overpayment is wrong, this is your last chance to ask for a hearing. The back of this page tells how. If you stay on aid, the county can collect an AFDC/CalWORKs overpayment by lowering your monthly grant. It can lower your food stamps to collect an overissuance unless it was the county's fault. If you go off aid before the overpayment or overissuance is paid back, the county may take what you owe out of your state income tax refund.

**Read the back for information about your right to appeal this action.**

Attachment

PA 654 (REV. 11/00)

Original & 1<sup>st</sup> Copy - Recipient

2<sup>nd</sup> Copy - TTC/Finance

3<sup>rd</sup> Copy - LCFF:PERM



## YOUR HEARING RIGHTS

You have the right to ask for a hearing if you disagree with any county action. You have only 90 days to ask for a hearing. The 90 days started the day after the county gave or mailed you this notice.

If you ask for a hearing before an action on Cash Aid, Medi-Cal, Food Stamps, or Child Care takes place:

- Your Cash Aid or Medi-Cal will stay the same while you wait for a hearing.
- Your Child Care Services may stay the same while you wait for a hearing.
- Your Food Stamps will stay the same until the hearing or the end of your certification period, whichever is earlier.

If the hearing decision says we are right, you will owe us for any extra Cash Aid, Food Stamps or Child Care Services you got. To let us lower or stop your benefits before the hearing, check below:

Yes, lower or stop: ☐ Cash Aid ☐ Food Stamps ☐ Child Care

**While You Wait for a Hearing Decision for:**

### Welfare to Work:

You do not have to take part in the activities.

You may receive child care payments for employment and for activities approved by the county before this notice.

If we told you your other supportive services payments will stop, you will not get any more payments, even if you go to your activity.

If we told you we will pay your other supportive services, they will be paid in the amount and in the way we told you in this notice.

To get those supportive services, you must go to the activity the county told you to attend.

If the amount of supportive services the county pays while you wait for a hearing decision is not enough to allow you to participate, you can stop going to the activity.

### Cal-Learn:

You cannot participate in the Cal-Learn Program if we told you we cannot serve you.

We will only pay for Cal-Learn supportive services for an approved activity.

## OTHER INFORMATION

**Medi-Cal Managed Care Plan Members:** The action on this notice may stop you from getting services from your managed care health plan. You may wish to contact your health plan membership services if you have questions.

**Child and/or Medical Support:** The local child support agency will help collect support at no cost even if you are not on cash aid. If they now collect support for you, they will keep doing so unless you tell them in writing to stop. They will send you current support money collected but will keep past due money collected that is owed to the county.

**Family Planning:** Your welfare office will give you information when you ask for it.

**Hearing File:** If you ask for a hearing, the State Hearing Division will set up a file. You have the right to see this file before your hearing and to get a copy of the county's written position on your case at least two days before the hearing. The state may give your hearing file to the Welfare Department and the U.S. Departments of Health and Human Services and Agriculture. (W&I Code sections 10850 and 10950.)

## TO ASK FOR A HEARING:

- Fill out this page.
- Make a copy of the front and back of this page for your records. If you ask, your worker will get you a copy of this page.
- Send or take this page to:

Appeals & State Hearing Section  
P.O. Box 10280  
Glendale, CA 91209

OR

- Call toll free: 1-800-952-5253 or for hearing or speech impaired who use TDD, 1-800-952-8349.

**To Get Help:** You can ask about your hearing rights or for a legal aid referral at the toll-free state phone numbers listed above. You may get free legal help at your local legal aid or welfare rights office.

If you do not want to go to the hearing alone, you can bring a friend or someone with you.

### HEARING REQUEST

I want a hearing due to an action by the Welfare Department of \_\_\_\_\_ County about my:

☐ Cash Aid ☐ Food Stamps ☐ Medi-Cal

☐ Other (list) \_\_\_\_\_

Here's Why: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

☐ If you need more space, check here and add a page.

☐ I need the state to provide me with an interpreter at no cost to me. (A relative or friend cannot interpret for you at the hearing.)

My language or dialect is: \_\_\_\_\_

NAME OF PERSON WHOSE BENEFITS WERE DENIED, CHANGED OR STOPPED \_\_\_\_\_

BIRTH DATE \_\_\_\_\_ PHONE NUMBER \_\_\_\_\_

STREET ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP CODE \_\_\_\_\_

SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

NAME OF PERSON COMPLETING THIS FORM \_\_\_\_\_ PHONE NUMBER \_\_\_\_\_

☐ I want the person named below to represent me at this hearing. I give my permission for this person to see my records or go to the hearing for me. (This person can be a friend or relative but cannot interpret for you.)

NAME \_\_\_\_\_ PHONE NUMBER \_\_\_\_\_

STREET ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP CODE \_\_\_\_\_